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. . . . A special meeting of the CIA RETIREMENT

BOARD convened at 2:00 p.m. on Tuesday, 8 August 1967, with the following present:

Mr. Emmett D. Echols, Chairman

[REDACTED]

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Mr. Alan M. Warfield, DDS Member

[REDACTED] DDS Member

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Mr. John S. Warner, Legal Adviser

[REDACTED]

Guests:

[REDACTED]

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MR. ECHOLS: There are no Minutes of our last meeting, as yet. I would like to bring up one piece of regular business, though. I have an application for retirement which has just arrived, and this man wishes to retire by 31 August, so it's almost imperative that we pass on the case today. The man's name is [REDACTED] He is a member of the Retirement System, he is 52 years old and has had 25 years of Federal service, 19 years of Agency service, and 85-plus months of qualifying service -- so he does meet all of the criteria for eligibility. He was put into the System on 11 January 1966. I believe he's a member of the DD/P, WH Division. So here is a normal, bona fide application for retirement. Does everybody agree with this? (Board members indicated in the affirmative.)

The other two things that we want to talk about today, if I read the Minutes of our last meeting correctly, you all wanted to know something more about our retirement counseling and placement program, and what [REDACTED] was doing, and how he intends to organize this campaign, and so on. That was one topic. And the other is, what are we going to do about these individuals who are directly affected by the change of retirement policy from age 62 to age 60 for those in the Civil Service Retirement System. As I

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recall, there was some feeling that although we gave all of these individuals two years grace, if you will, the question arose whether we are indeed being sufficiently lenient in only giving these people two years, when I think we generally have agreed that Agency policy had to be give people five years' warning and five years' assistance and guidance in getting their affairs in shape for retirement.

Now, you have all seen the letters of protest which several individuals have sent in, and without going into the topic of whether or not the Agency will or will not enforce this policy, and so on, I would like to have us discuss what we want to do about these people, because this situation is critical -- I've sent letters to each of them and acknowledged receipt of their letters telling them we would consider the matter and be in touch with them shortly -- so they're awaiting some kind of a response to their letters. As it stands right now each person who is age 60 or older, on the premise that their expected retirement age was 62, which has long been a matter of Agency policy, that they have all had plenty of notice, that we have extended all of them to their normal age 62 retirement. It has been suggested, however, that the people who are currently 59, 58, 57, 56, 55, have comparable problems. For example, the man who is 59 at the time we switched to this policy, presumably he was expecting to retire at 62, so he has already had two years' warning and, presumably, has been preparing for his retirement, and suddenly we chopped him off with less than that. We could extend - give him two more years, to make up the five -- that would carry him to 62. A man 58 presumably has had only one year's warning -- we could give him four more and carry him to 62. The man who is 57 now, if we now gave him five years' warning he could go to 62. A man who is 56, if we give him five years he should go out at 61. A man who is 55, if given five years' warning would go out at 60. Then our policy from then on could remain 60, and everybody would get the five years' warning.

Now, that is the extreme position -- on the one side we would give everybody two years' warning of the change of policy; on the other

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side of the coin, we give everybody in ages 55 and above the equivalent of five years' notice, and some would go out at 60, some at 61, and the rest would go out at 62.

I don't know what the solution to this problem is - whether a rule is in order and we try to put it through, or whether you want to handle things on an individual case basis -- which would seem very difficult, to me.

Would you like some numbers?

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MR. ECHOLS: Yes. I think Ben has the number of people affected here.

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MR. [REDACTED] There are 78 people under age 58 who had been told they could stay until 62, who are now being told they will have to go out at 60 -- 78 for whom we have had a change of date. And there are 110 people at 58 and 59 who were told they have this two years and then have to go out. There are 72 people at age 60 who are going out on their regular due date. And there are a total of 343 people in the ages of 55, 56, and 57 who have received their letter and who for the first time were told they have to go out at age 60 -- for them there was only a single notification -- there were only three at age 57, there was no change of date, and this was their first notification.

MR. ECHOLS: I get a total of about 78 people--

MR. [REDACTED] 78 people under age 58 now have had specific switches.

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MR. WARFIELD: I believe at our last meeting [REDACTED]

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[REDACTED] read from your memorandum (indicating Mr. Echols), which the Director approved, which established the policy, and I think in that policy paper you said that you would have flexibility in the next two years in implementing this plan -- and it didn't say two years from when, but just in the course of the next two years that there would be a lot of flexibility available. I would think that we should use that just as fully as we can. In other words, what I'm saying is that I

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think you could even apply flexibility in sending out the letters that would normally go out - the five year notice letters, that in the next two years you could even be flexible about that--

MR. ECHOLS: I think Paul has the precise wording here.

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[REDACTED] Yes. One of the recommendations is: "implementation of the revised Civil Service Retirement policy be phased gradually over the next two years with liberal exceptions to give full consideration to its impact on individuals with less than 30 years service who might have reasonably expected to continue in employment until age 62."

The suggestion I made was that it doesn't say you add two years to everybody but that over the next two years the policy is that we can treat the age at which they have to retire rather flexibly.

MR. WARFIELD: In other words, if you are about to send out a letter to a guy who is 57 years old, with say 23 years of service, I think you should solicit his views as to what he wants to do. I don't think we ought to say, "Well, we just had a change in policy and now you have to retire in three years." I don't think that should be the approach.

MR. ECHOLS: You mean, one man at 57 might be planning to go out at 62, while another man at 57 might be planning to go out at 60--

MR. WARFIELD: And might be perfectly happy to go out at 60.

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[REDACTED] I think what you do when it's a case of compassion is give the broader interpretation so that it includes what the individual considers adequate notice. That is the basic approach to it.

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[REDACTED] I agree with Alan, but I think those who have been given their five-year notice should be allowed, if they wish, to have the whole five years -- and those in the 55 year bracket given five years' notice now, which would put them out at 60. Presumably those in the 56 year bracket

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haven't gotten letters, have they?

MR. ECHOLS: Which letters are you referring to?

They should have gotten their five year letter.

[REDACTED] If the policy was 62. But I think there 25X1A9a
would be a group of 55 and 56 year old people who should get letters right
away giving them their five year notice. Those who have already received
five year letters I would be inclined to allow, if they wish, to have the full
five years they had once been told they would have -- as a general policy.

[REDACTED] Doesn't this depend a little on when they 25X1A9a
get their 30 years? I gather these figures that were pointed out here are
people who will not have 30 years of service--

MR. [REDACTED] That's right. There are 343 people 25X1A9a
in the ages of 55, 56, 57, who were given letters saying they had to go out at
age 60. Now this would be for some less than five years' notice.

[REDACTED] What is the significance of 30 years? 25X1A9a
Because that has always been the policy
if you had had 30 years of service. So they have had adequate notice right
along--

MR. WARFIELD: It seems to be the feeling, Ben, that
you are going to have to find some way of gracefully backing out of what has
been done, with those figures there, because I gather everybody around this
table feels we shouldn't be sticky on this thing--

[REDACTED] So much so that we haven't even handed 25X1A9a
out our letters yet.

[REDACTED] How come? I thought the letters were
to go out directly--

[REDACTED] No, the new letters changing these things
came to the office -- the one that said the policy has now been changed and
they will be expected--

MR. ECHOLS: As I get it, Roger, you would immediately

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send out a letter to everyone who had expected to retire at 62 by reason of having less than five years--

MR. WARFIELD: I think Roger just restated what you (indicating Mr. Echols) said at the beginning--

[REDACTED] In effect, what I said was I would give everybody five years notice. Some of those people have already received their five year letters, and in that case I would stick to it, if they wish to stick to it themselves. Those who have not received five year letters, I would give five years notice. 25X1A9a

[REDACTED] Emmett, I'm a little puzzled by the order of the discussion here. I thought when we left the problem at the last meeting we were still unsure as to whether we should go to the Director and ask for a reaffirmation of policy or not. It seems to me now we are presuming it is policy. 25X1A9a

MR. ECHOLS: With so many people involved here, I think before we can do anything we're going to have to make a proposal to the 7th floor as to how we can get out of this thing.

MR. WARFIELD: I don't see why. I think you have all the flexibility you need. The 7th floor agreed with what you said in your memorandum.

MR. ECHOLS: They didn't quite agree. We said we would phase this over two years--

MR. WARFIELD: But you didn't say phase what. We are talking about phasing the issuances of five year notices over two years--

MR. ECHOLS: But that isn't what I meant when I went to them -- and I'm not sure that is the way the Director interpreted it.

When we first implemented this policy some years ago, did we not give everybody a two year notice? I think that was the standard set at that time for the establishment of the policy-- 25X1A9a

[REDACTED] But you have to take that in the context of

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the supervisors waiving this stuff right and left. But now they don't. There was usually an accommodation with the individual as to what seemed reasonable, and you tried to keep it as close to the two years, or whatever date it was, as you could -- but if it meant another six months to end up the fiscal year, they went along. In some cases you automatically extended -- you drew your own conclusion as to whether compassion was involved or not. In other words, Deputies granted extensions on other than operational necessity.

MR. ECHOLS: That is right -- that is true.

Well, would you adopt a policy right now, then, stating that as of this date everyone will retire five years hence, or at age 62, whichever comes earlier.

[REDACTED] You could put it this way: If you have 25X1A9a
less than 30 years service. You shouldn't expect the man to retire before he is 62 unless he has at least five years notice.

[REDACTED] Some people will retire at 61 -- those who 25X1A9a
notice
were 56 would get five years/and retire at 61. 25X1A9a

[REDACTED] I said unless he has had five years' notice--
People who will have 30 years' service at
age 60 got their five year letters when they were 55--

MR. ECHOLS: That is correct. 25X1A9a

[REDACTED] They had their five years notice -- so they
are excluded--

[REDACTED] My point was that I think everybody should
be given five years' notice, and those who have already received their five
years' notice shouldn't have that cut short.

[REDACTED] I think that is about what we are coming 25X1A9a
up on, yes.

[REDACTED] The people in the 55 year bracket I would
give five years notice telling them to retire at 60. Those in the 56 year bracket
I would give five years notice telling them they would retire at 61. And those

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who are now 57 retire at 62. And all of those who are older than that presumably have already gotten five years notice which told them they would retire at 62, they should be allowed to do that.

[REDACTED] that right, Ben?

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There are 110 people age 58 and 59 who were told they could work until age 62 -- and so you're going to have to stay with that for that number -- because they have gotten their five year notice, yes, but for them five years is 62. And it meets Paul's definition and Emmett's definition of five years notice or age 62.

MR. ECHOLS: Does anybody see any other way out of this problem?

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[REDACTED] What is the magic of the five

years?

MR. ECHOLS: The only magic about the five years is the fact that in our retirement planning and counseling discussions, which have gone on a couple of years now, and in the literature on this subject, they figure a person should spend not less than five years in planning his retirement, getting his retirement plans in order, getting his investments in order--

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MR. [REDACTED] This counseling people, wasn't it an additional service over and above what the Government really owes them?

MR. ECHOLS: That is correct.

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MR. [REDACTED] The major changes are in the military and the Foreign Service which are causing an awful lot of people to change their retirement plans. With the new arrangement in the Foreign Service where they're going to drop the age of (either up or out), I think they're getting one year--

MR. ECHOLS: Correct.

MR. [REDACTED] It's one year and out. And when

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they adopted the 20 year retirement programs in the Armed Services there were literally thousands of officers that were thrown out on two years notice.

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MR. WARFIELD: But didn't they put a sugar coating on that pill by giving them a higher annuity or something?

MR. [REDACTED] I think it would be nice if we 25X1A9a
as an Agency could be this considerate, but it strikes me we are being very
inconsiderate if in fact there is an Agency interest in reducing the number of
people of that age at the earliest possible date. 25X1A9a

[REDACTED] But at least they are in a retirement system
that allows retirement at that age. I thought we were really going to worry
about the 60 year, mandatory, Civil Service -- which to me is wrong -- but
apparently you are not--

MR. ECHOLS: That is the next point. 25X1A9a

[REDACTED] This is going to take care of the immediate
problem -- and then beginning with the fellows who are 55 you start all over
again, in my opinion.

MR. ECHOLS: From that point of view there is no
sense in even talking about this problem, if you're going to raise the problem
of the overall Agency problem.

[REDACTED] Well, it has been raised. 25X1A9a

[REDACTED] Actually, as far as those four cases,
two of them definitely raise it but they say they would be satisfied to stay
until 62, if they could stay that long. The thing has settled in since 1958
or 1959 when we adopted the policy of 62, and this is sort of ingrained in people
now that 62 is it. In these cases today every one of them should have
received his five year notice at 57 -- and each one of these is being cut down --
he's not being allowed his five years. Now one of them specifically raises
the question of the authority of this Agency to reduce its retirement policy to
60, but nevertheless says, "I will retire at 62 if you will let me stay on until
62." We still have to face that one question, it seems to me, about the
Agency policy, because somebody may raise it--

MR. WARNER: Somebody already has.

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MR. [REDACTED] But these people are willing to step
out, though--

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MR. WARNER: Not this one, though -- [REDACTED]
raises it very clearly.

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MR. ECHOLS: And I think [REDACTED] does, too.

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MR. [REDACTED] If I may say something about the [REDACTED]

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case -- which is one of mine -- this case has complications which put it a
little outside of the others. This man received his 5-year letter at 55 and
was told he should plan to retire at 60 because he would then have over 30
years of service. He protested that and initiated his protest a long time ago.
So he is protesting retirement at 60 with 30 years of service -- he wants to
stay until 62, regardless -- so it isn't exactly like these other cases -- and
I think this case has to be settled, has to be judged separately, whether you are
going to allow a man who had received his 5-year notice, and who would have
retired at 60 under a long standing Agency policy, to be an exception to that
policy.

MR. ECHOLS: For those who weren't here at our last
meeting I'd like to recapitulate one critical point. Two people have challenged
the legality, if you will, the public policy aspects of our retirement policy,
as a matter of principle and have demanded to know on what authority the
Director would enforce this policy, and secondly, whether he would enforce the
policy if he did have the legal authority.

We conferred with our General Counsel, and
Mr. Houston's best advice to the Director, if I can paraphrase what he told us,
is that he would strongly recommend, as a matter of policy, that the Director
under no circumstances use his 102(c) authority to enforce the Agency's
retirement policy. I came to the last meeting and expressed the view that
a growing ground swell of opposition seems inevitable as the numbers of people
and the ranks of people increase, and that I felt it was critical that we take a
last look at the policy, and the Director take a last look, before we suddenly

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find ourselves with no policy - or one on the books but with no enforcement, and the story getting around that there is no enforcement, so you're back on a completely optional program. I think the policy will completely collapse in the next five years unless we resolve this problem.

John, you haven't had any additional words of wisdom from Mr. Houston, have you?

MR. WARNER: No -- that is it, in essence.

MR. ECHOLS: He stopped me in the corridor the other day and said he was extremely interested in our discussions on this -- but I don't know which way he leans, as far as the policy, whether he's for or against it.

MR. WARFIELD: Have we disposed of what we're going to do with these Civil Service retirements now?

MR. ECHOLS: The more I think about it the more I wonder if we should do anything at all at this time, until we--

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[REDACTED] We would look even worse if we sent a second letter and then followed it with a third --

MR. ECHOLS: If we send these people a letter now saying, "Yes, you may remain until 62", and then there is another shift in Agency policy, we will be worse off--

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[REDACTED] I disagree this is a shift in policy. You can make it on the basis of inadequate notice and that you look at this as being a hardship - to be asked to [REDACTED] change plans twice in three years, or whatever it is -- and the Board has recognized this for a limited number of individuals, of which you are one, and therefore under present Agency policy the Board has determined that you could stay until such and such a date.

MR. ECHOLS: You would be the specific individuals who said they wanted to stay on until 62, and cut the ground from under me--

[REDACTED] Look at each case--

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MR. ECHOLS: You would not attempt to speak to these

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other--

[REDACTED] I would, but not try to decide that today.

I would take another good look at why we do have this policy at all, now that we have special legislation to take care of the special cases, and back it up with facts -- but it would take weeks to do this. I'd take care of these two or three cases -- which have nothing to do with what is coming up in a few years with people who have years to go.

MR. ECHOLS: Would you all be in favor of responding to the specific cases we have here now, and giving them the additional time to age 62, if they requested it?

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[REDACTED] But again, if there is any possibility -- because the people who were in on it must have given a lot of thought to the last regulation that came out, but if that is subject to review and maybe sort of admit that that was a mistake and go back to the 62 -- I don't know that that is possible, but there would be nothing wrong with letting people go to 62, but I would be worried about sending somebody who is 56 a letter saying - "Okay, 61 is your retirement age here" - and then a couple of months later saying, "We have reconsidered this, and now it is 62" -- we're going to begin looking a little foolish. Now I don't know what those chances are, but I've been thinking a lot about this, and to me there is something wrong with this 60 "mandatory" retirement -- I mean, I didn't know about this legal opinion, but in my own mind I was thinking if he can use 102(c) he would, in effect, be creating a third retirement system, without any approval outside of this, because he would be saying, "I want my people, ^{albeit} under Civil Service, to go out at 60" - and that is not in the law--

MR. ECHOLS: We have had age 60 retirement now for 10 years or so, haven't we?

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[REDACTED] We never had it in the system -- we have talked people and bulldozed people into doing it, but they have never stood up

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on their own hind legs, like they're doing now, and saying, "I won't do it."

MR. [REDACTED] It also seems to me with the Agency Retirement System, where we supposedly are taking that special group of cases where they need a young and vital service, and then turning to the other civil servants and saying - "You're normal but not as normal as other civil servants and therefore you should go out at 62." At least we get the additional benefits, but they get three and three quarters less. I realize that basically all of my arguments are just as much against the 62 as the 60, and yet 62 seems to be a more acceptable year to people. I have a feeling that if we had never changed anything we would not be running into all of this trouble. My argument falls down on the basis of recommending we go back to 62--

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MR. [REDACTED] What is the basis for 62? There isn't any, is there?

DR. [REDACTED] There's no basis for 65, for that matter.

MR. [REDACTED] If you take the General Counsel's view as you (indicating Mr. Echols) have expressed it, and take the next to the last paragraph of [REDACTED] letter in which he notes that it's his understanding that the principle is that the Director will adhere to the Civil Service practices, then this five years really doesn't mean anything, and you really have to put it to 60, or the 62 which has been accepted through practice but has no other legal standing, or you go way back to the straight Civil Service, and then you get to 65 again--

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MR. ECHOLS: Or even 70.

MR. [REDACTED] There is no 65 now.

DR. [REDACTED] 65 has no basis either--

MR. ECHOLS: No basis in Government? or in this Agency?

DR. [REDACTED] -- and yet that is kind of the accepted age for many Departments.

MR. [REDACTED] The average age for optional retirement is in the 65 to 66 bracket.

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MR. WARNER: But there is no magic to 65 or to 62.

And I think, on your point (indicating [REDACTED] that everything would be 25X1A9a
all right if we dropped back to 62, I'm not sure that that is valid, because what
has happened is that we haven't had a great rash of retirement cases over the
last five years -- they have been coming in in bits and dabs, so you were able
to handle them by persuasion. But you have a big slug of them coming up, and
just by the law of averages you're going to get more people who will say,
"What do you mean?" - just as [REDACTED] has raised this, very clearly, very 25X1A9a
precisely, and very correctly -- and you can't possibly answer his memorandum --
you simply can't answer it. 25X1A9a

[REDACTED] Short of the Director saying he desires it --
isn't that about it? That is probably the only response to that. 25X1A9a

MR. [REDACTED] 'expects' is stronger than 'desires'.

MR. [REDACTED] We wouldn't answer that memorandum
if the age limit remained at 62-- 25X1A9a

MR. [REDACTED] And yet it seemed to work when the age
limit was 62.

MR. WARNER: I'm just arguing that point, that thus far
it has worked, but we have already gotten the beginning of this - this is the
point, and which was never directed to the other Board.

MR. [REDACTED] One reason it has worked for some is the 25X1A9a
very bad reason that people have been made to feel unwanted, and were kicked
around, and felt like they were on the fringes of things, and finally they gave
up in disgust. They leave with a very bad impression -- instead of crowning
a fine career with a well-earned retirement they feel like they were pushed
out unfairly and even illegally -- and that is my basic objection to the way the
thing stands today, even if we could make it continue to work for any number
of people.

DR. [REDACTED] I think I'm more concerned about the 25X1A9a
point Harry brings up that we have an early retirement system for certain

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Agency employees and yet it's no different than what we are expecting under the normal Civil Service.

MR. ECHOLS: Let's look at it this way. We have the CIA Retirement System which really has nothing in it but a premium of 3.7% of high-5, because it's a straight 2% formula, as opposed to the Civil Service. In justifying that we did it on the basis of many, many grounds -- conditions of service, the stresses or strains, motivational exhaustion -- but we also mentioned and stressed the fact that in this particular field of work we couldn't offer everybody a full career of 30 years, 35 years, etc., so maybe some increment, some portion of that 3.75 premium would compensate the people in the Clandestine Services and supporting services who have a shorter career. And now we take the Civil Service group and we give them the same 60, in effect, mandatory retirement age, with no bonus, no premium of any kind--

MR. WARNER: And no option at age 50--

MR. ECHOLS: -- nor the option of retiring early -- they have less than nothing. And John (Warner) is the one that suggested that perhaps a carrot is needed here to make this more tolerable. I don't think a carrot will do the trick, because I don't think any carrot we can dangle is going to induce people to retire earlier -- because if they stayed on even one more year the money they received in salary would be more than we could give them. But we might give them something in the way of compensation, perhaps, for being expected to retire at age 60--

MR. WARNER: I was merely suggesting an area to explore -- because you have the big stick approach now, and indeed it's a very weak stick -- so if you want to bring down the average age of retiring people maybe you ought to look in the area of carrots, that's all -- I'm not saying what kind.

MR. [REDACTED] 25X1A9a
Isn't our fundamental problem here that it was an easy solution for the Director some years ago to say, instead of setting up a separate payscale and the whole arrangement, "We will adopt

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the Civil Service." That was an easy solution and it didn't cause us any problems until right now. Now the Director is stuck with this. Does he want to have the Civil Service apply to everyone who is not in the CIA System, or doesn't he? And if he does not, then he may have to write a whole new program, and not call it the Civil Service program or even pretend that it resembles it, that offers something so that he can force an earlier retirement than Civil Service. This is really another way of saying what (John) has said. 25X1A9a

[REDACTED] Try to do legally what we are now trying to do illegally.

The 62 had one other little meaning for me -- and I agree it's not valid -- but it does give the man at least four more points, which equates him to the fellow who retires at 60--

MR. WARNER: And if he went to 65 he would get six more points -- so what?

MR. [REDACTED] The point of this is trying to get the high-5 in your average because of the recent pay raises -- that is a part of it, also. It makes quite a difference. That may make a good deal more difference than the 3.75%. 25X1A9a

MR. [REDACTED] Sure, if you get two more years. It is interesting, though, that very few are asking for anything beyond the 62. 25X1A9a

MR. [REDACTED] That is because most of them are under 60 now -- but when they get to 62 there will be more of them thinking about going to 64.

MR. [REDACTED] Those two years seemed critical in a number of cases we have had of a kid finishing highschool and being out of the home, etc. -- and all these factors for some reason make 62 a satisfactory year. 25X1A9a

MR. [REDACTED] We have had a number of cases that have gone beyond 62 on compassionate grounds -- they asked for it, and we approved several of those subject to a yearly review. I don't think 62 is a magic year. 25X1A9a

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I think already there have been indications that there is a group of people that won't be satisfied with the 62.

MR. [REDACTED] The other day I talked to one man who 25X1A9a
said he had been planning on retiring at 61 for a long time, and he said,
"Now you mean I have to go up and plead poverty, and open up my financial
affairs to the Board, to work until 61 under the Civil Service? I don't like to
be beholden that much. And I think I'm entitled to the 61." He is one who
is going to fight it when he gets it. 25X1A9a

MR. [REDACTED] John, suppose we followed Jim's theory
here now and the Director decided we are not going to have Civil Service for
those not under the CIA Act, we're going to have our own, Agency Act-- 25X1A9a

MR. [REDACTED] Which will have two categories of people--

MR. [REDACTED] (Continuing): -- and you came up with
a policy of 62. Now would that have to be approved by Congress before the
General Counsel's Office will fight a case that is raised? Or can the Director
just say, "I'm adopting this as the Agency policy instead of the Civil Service
one" -- and could you justify that?

MR. WARNER: I don't think so, Mike.

MR. ECHOLS: Let me ask this question, John. Has
the Director of this Agency ever adopted the Civil Service rules and regulations --
has he ever adopted the procedures, and so on, in the Federal Personnel
Manual? Not to my knowledge.

MR. WARNER: There have been general statements
made in different ways, and it's certainly on the books as far as adopting the
classification schedule, that we would adopt this and we would follow the
Civil Service procedures insofar as possible. I think there has been literature
saying that we follow the concepts and procedures of the Civil Service retire-
ment in general, insofar as practicable.

MR. [REDACTED] Wouldn't the funding be a little difficult 25X1A9a
otherwise? It isn't as if we had our own fund -- the fund is in the Civil
Service.

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[REDACTED] And we've taken a lot of actions that
underlined this--

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MR. WARNER: Our recruitment brochures say we have
Civil Service retirement.

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[REDACTED] And you had to go and get special legislation
when they inadvertently left the Agency out of some of the payraises, as I
recall.

25X1A9a

MR. [REDACTED] But isn't it true, John, that in terms
of legislative Congressional intent, and public opinion, that when they reduced
the age to 60 with 20 they had a rider in there for GS-13's and above to make
it double edged - management could ask them to leave, or the other way
around, and it was sort of overwhelmingly knocked out, because that was not
So
what was wanted. / I think we are really flying in the face of a pretty strong
indication--

MR. WARNER: That was a quid pro quo on the 55 and
30, the Grade 13 and above with "x" number of years of service -- and over
55 mandatory. And out it went.

MR. ECHOLS: Would your office ever question the
Director's authority to establish for this Agency a retirement age of 60? Now
I'm not talking about the political wisdom of it. Do you think he has the
authority to establish a retirement age of 60?

MR. WARNER: It has been established--

MR. ECHOLS: The policy of saying we expect people to
retire at age 60, do you think the Director has the authority to establish such
a policy?

MR. WARNER: Mr. Houston said he would recommend
to the Director that he not use 102(C), and that is the only weapon he has--

MR. ECHOLS: But I wonder if that was for political
reasons rather than legal reasons.

MR. WARNER: Well, you better ask Mr. Houston that
question.

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[REDACTED] Why don't we go back to the very reason why we went to the Director and asked him to reduce the retirement age limit under the Civil Service from 62 to 60, where the only reason was because we didn't want to find it difficult to administer the CIA Retirement Act because people would opt out of that program into the other. What arguments did we use to reduce it to 60 so that both of them would be equal?

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MR. [REDACTED] If I may, I think the logic which we discussed here was since the Agency policy was that you will retire as soon as you are eligible for retirement without a reduced annuity, that that no longer applied to age 62 but, rather, to age 60 -- and therefore it seemed logical. But not that we voted on it. That was done sort of outside the Board--

MR. ECHOLS: There wasn't much logic in the case of an individual who came into this Agency 10 years ago and who had had maybe 20 years of service before that, and letting him stay on two extra years, as long as he could get his earned annuity. Why should this small group of people who are in effect the Johnny-come-latelies, get a preferential retirement age?

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MR. [REDACTED] My point was that wasn't a change in policy. The policy remained consistent--

MR. WARNER: That's right, when they could get an earned annuity without reduction--

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[REDACTED] But we have already said we are not going to follow that in the 55/20 group.

25X1A9a

MR. WARNER: That was too big a bite.

DR. [REDACTED] But that is the welter of inconsistency we are in now.

MR. ECHOLS: We adopted way back when Gordon Stewart was the Director of Personnel the age 60 with 30 years of service, or after five or more years of service at 62, which was the only exception,

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because otherwise those people could not get their annuity without a severe penalty. So once the penalty was removed we thought a consistent policy across the board would be the next logical step, and we did it.

MR. [REDACTED] But this policy stood the test of 25X1A9a
time until the age pressure caught up with it.

MR. ECHOLS: Yes, it's the age pressure that is catching up with us, not the cut from 62 to 60. On individual cases, sure, that has precipitated protest, but the real problem that I see generating here is the growing number of people approaching this age and the manifestation of resistance and of challenge.

MR. [REDACTED] A question I was going to ask -- and it 25X1A9a
seems like all we have to go on now -- if we just restated this and said it is the Director's desire and we would like to feel that everybody will retire at age 60, and invite everybody to do so, but that there isn't anything we can do about it if they really don't want to -- do you feel that would have much of an effect?

MR. [REDACTED] I don't think so.

MR. [REDACTED] If you're asking me, no, not on 25X1A9a
this type of man -- and what I'm afraid of--

MR. [REDACTED] Would 75% of the people sort of say-- 25X1A9a

MR. [REDACTED] The thing that bothers me about it
is that you have a double standard, and the passive but good employee goes out but the other guy who wants to stay, for a variety of reasons, he stays. It's not a fair policy when you permit one individual to say, "I want to do what the Director asked me to do" and the other guy says, "To hell with the Director, I'll do what I want to do."

MR. ECHOLS: Ben suggests that rather than trying to cope with these individual cases right now, since the bigger issue is far more important, that he run a quick survey to find out how many people in the 62 group would normally be scheduled to retire let's say within the next six to

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eight weeks -- the actual numbers and the actual names. Then we will find out from this analysis how many pressing cases we have where a decision may have to be made on an individual case very quickly - which might be next month, or the month after that. And then we have more time to deal with the larger problem--

MR. WARNER: I agree that that should go forward, but why should we sit on our hands on the basic issue?

DR. [REDACTED] We have already sent these letters to our people.

25X1A9a

MR. [REDACTED] What I meant here, if in the next six to eight weeks the big issue is going to be studied and a paper sent to the Director that calls for reaffirmation or abandonment of the policy, if nobody is going to be leaving in the next six to eight weeks then you have got that extra time -- without worrying about reestablishing retirement dates, because you may abandon the policy -- and if you reaffirm with enforceability, then these cases all fall in place. So it's really buying time for the Board to give to the bigger issue.

25X1A9a

MR. [REDACTED] Then you're really questioning the 62 retirement age, not just the 60--

25X1A9a

DR. [REDACTED] Those forced out at 60 or 62--

25X1A9a

MR. [REDACTED] I don't know if anybody is leaving tomorrow, or next week, or in the next six weeks.

MR. [REDACTED] The big question is whether the Director wishes to continue to pattern our personnel practices after the Civil Service System. That is the fundamental question.

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MR. ECHOLS: I quite agree.

MR. [REDACTED] If he does that then he has to ask himself the second question: If I announce that and permit the employees to operate on that assumption, how far can I go in violating it, using my authority as the Director, by forcing the retirement limit down from 70 to 66,

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64, 62, or 61? And he has to make that decision.

MR. WARNER: That is right.

MR. [REDACTED] And if he then makes the decision

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that he really doesn't want to tangle with that at all, then the only choice he has is to announce even an abandonment of the Civil Service System and coming up with something new. That is really what he is faced with.

MR. WARNER: I don't think that second point has ever been put to the Director - to this Director or any other Director - the second point: Are you going to enforce this or not?

[REDACTED] It hasn't?

MR. WARNER: It has never been referred to him, to

25X1A9a

my knowledge.

25X1A

[REDACTED] At the last meeting that I attended here you sort of indicated, I thought, that he was ready to put teeth into it. I got that impression.

25X1A9a

[REDACTED] I got the opposite impression, that he wasn't going to face it.

MR. WARNER: I think this is the key point at this time.

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MR. [REDACTED] I can't imagine a policy being enunciated unless somebody is prepared to back it up.

MR. WARNER: We've had the policy for the past

five years--

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MR. [REDACTED] Let me just read a couple of paragraphs from a statement by the Executive Director. This is Agency Regulation so and so to establish the policy that employees are expected to retire that we must now take a more objective organizational viewpoint on this matter in the future. Exceptions should be granted only when the employee's skills are truly irreplaceable from within the Agency or when a real financial hardship could result which would materially affect the employee's ability to maintain the necessities of life. Then he goes on to say: We have got to

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exercise mature judgment in putting this into effect. A month later a particular case came up and the Retirement Board was directed to extend a man for at least three years in a case where he said: I am especially mindful of the large number of employees in their late 50's and early 60's who were brought into the Agency during the last decade, who have not acquired the necessary longevity of Government service to provide an adequate annuity. I think it is particularly important that we not force these people to retire unless they are willing, when it is difficult if not impossible for them to return to their former professions or to acquire other commensurate employment. And then he talks about a careful regard for any commitments, precise or implied, oral or in writing. Now these were just a month apart.

MR. ECHOLS: Did Kirkpatrick sign that?

[REDACTED] Yes.

25X1A9a

MR. ECHOLS: Well, I admit that Kirkpatrick, whether looking at individuals or policy, would jump both ways at the same time. Nonetheless, subsequent to Kirk -- (my own reading), in fact -- the pressure was put on me to tighten up this policy. So from the 7th floor the direction has been to enforce - increasingly enforce, tighten up the policy. Now whether or not the 7th floor is willing to enforce the policy, is something else again.

25X1A9a

MR. [REDACTED] He mentioned this short term thing -- there are an awful lot of people on board now who came in after the war, so they've got 20 years when they're facing retirement -- a multiplier of less than 40% is not too bright. Time will probably take care of that. To fellows who have come in at 25 and at age 60 will have had 35 years of service, another year or two in terms of their retirement multiplier won't be too significant. But I think we have quite a few years yet where these people are going to be asked to retire on a fairly low retirement. Time would be on our side in lowering the retirement age, but not right now -- for the

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Civil Service type.

I know we're not anywhere near ready for it, Jim, but did you have in mind if we had to go the route of a separate Agency system that you would still have the overseas type -- mandatory, optional both ways, management tool, from age 50 -- and then the other types?

MR. [REDACTED] For a new Agency personnel policy 25X1A9a you would start with the present CIA Act, and you would recognize that there is a group that is different, and you would try, I think, to probably get them out not at 70 but at 60, and you would write some carrots into the retirement at age 60 to make it equally attractive with Civil Service even though it covers fewer years -- that would have to generally be your philosophy. And it would probably include three or four - maybe five categories of different people. You would start all over again -- and your only relevance to the Civil Service pay scales and the Classification Act would be that whatever you did would have to be sensible vis-a-vis your critics who would say, "How do you relate yourselves to it?" - but otherwise it wouldn't have any relevance. 25X1A9a

MR. [REDACTED] I don't suppose that there would be any chance whatsoever of extending the CIA System to all Agency employees, which would then solve the Director's legal dilemma.

MR. ECHOLS: It would?

MR. WARFIELD: That would require another Act of Congress.

MR. [REDACTED] But they were hostile toward that concept, 25X1A9a weren't they?

MR. WARNER: Ten years from now they might consider it -- but not now.

MR. ECHOLS: In fact, I forget who it was that forecast that "It's only a matter of time before you will be back here applying to put everybody in this System." I don't recall who that wise counsel was.

Well, I think some serious questions have to be put

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to the Director right away, and we should start drafting them up.

MR. WARFIELD: You can't go to the Director with a list of questions--

MR. ECHOLS: I quite agree--

MR. WARFIELD (Continuing): -- you have to go to him with recommended solutions -- maybe alternatives.

MR. ECHOLS: How many of the members present think that our present Agency policy of retirement at 60, under Civil Service, is wrong?

[REDACTED]

25X1A9a

hands, indicating they felt the present Agency policy of retirement at 60 was wrong

MR. ECHOLS: There's your recommendation to the Director.

[REDACTED]

You didn't ask us why.

25X1A9a

MR. ECHOLS: Do you basically feel it's wrong to require people to retire at 60--

[REDACTED]

No -- that's a different story. It

25X1A9a

depends under what circumstances--

[REDACTED]

Everybody else - industry, for example -

25X1A9a

with an advanced retirement policy gears their retirement system - their retirement pay and that sort of thing, to do that. We're doing nothing for that end of it. We're just chopping it off.

MR. WARNER: Just cutting down the rights and options of an individual and giving him nothing in exchange for it.

MR. [REDACTED]

We say we need better men, and our

25X1A9a

people ought to work harder -- and we offer them less.

MR. WARNER: That is exactly the point, and that is why it is wrong.

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[REDACTED] And I think the point Jim made, too, 25X1A9a
is significant and ought to be brought to the Director's attention, and that is
that without enforceability it's a meaningless thing.

MR. ECHOLS: Do you think that 60 is a desirable
retirement age for this Agency if there were compensatory benefits of some
kind? In terms of manpower utilization, do you think that 60 is desirable
for this Agency?

MR. WARFIELD: I do.

MR. [REDACTED] Generally speaking.

MR. WARNER: Yes. 25X1A9a

MR. [REDACTED] Yes.

MR. [REDACTED] What makes our normal Civil servants 25X1A9a
any different than other civil servants?

MR. ECHOLS: I like to think our responsibilities to
Government are a little more crucial than the average Government agency.

MR. [REDACTED] Yes, if you cut it off at a Grade 7 -- 25X1A9a
because when you're talking about telephone operators and file clerks, we're
not that different. We're kidding ourselves, I think --

MR. ECHOLS: If we restricted this policy to the
professional -- let's say managerial positions above Grade 13?

MR. [REDACTED] I think it becomes a lot more meaningful 25X1A9a
then.

DR. [REDACTED] I would still have trouble with it. 25X1A9a

MR. WARFIELD: The 60 year old GS-11's, the ones
that haven't shown the ability to get ahead, are probably the ones you are
most anxious to get rid of.

MR. ECHOLS: But they don't hurt the Agency in
the sense of slipping management--

MR. WARFIELD: I think that is just what they do --
and I think this is why the military says, "If you're not selected for promotion,
you're out."

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MR. [REDACTED] Some of these people are language specialists, for example, and you would only create a problem for yourself if you retired them. 25X1A9a

MR. WARNER: You can always make exceptions. 25X1A9a

MR. [REDACTED] Where it is in the interest of management not to get rid of them -- as long as they can do the specialized job.

MR. [REDACTED] But for many reasons I think age 60 is a very defensible top limit for the Agency, once you decide that the CIA Act has some logic to it, where you want to put a ceiling on at 50, to some extent. Now we started out in our discussions on the CIA Act hoping that we could make it an involuntary business -- which we abandoned for much the same reason we're going to abandon this 60 ceiling - that it can't be enforced. But once you decide to have a substantial part of the Agency more youthful, generally speaking, I think it follows from that that the rest of the Agency should be pressed downward as an age group, in contrast to the Department of Agriculture, for example. I think that there are a lot of real reasons for not having OCI people in their 60's and the DDP people that work with them in their 40's -- that sort of thing -- which ultimately you would get if you had straight Civil Service for all but the people who qualify for the CIA System. You would get an age gap. 25X1A9a

[REDACTED] There are reasons on the other side, too. One is the accretion of knowledge is different for different kinds of positions in the Agency. In analytical roles there are many cases where it is only through a lot of experience that you get the background, and you don't have to be a young, activist individual to utilize those skills. I think it's highly debatable whether 60 is a good, desirable age for much of this Agency, in terms of the job that has got to be done. I think we're kidding ourselves. 25X1A9a

MR. [REDACTED] There's no question that the determination should not be based on age alone, but on the ability to make a contribution. I know it's trite as hell but it is true that some individuals at 60 can make a

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hell of a contribution. But it gets so complex -- because I don't think anybody will say, "Yes, civil servants should retire at 60" -- unless they get some additional incentive. They shouldn't lose all the benefits of the Civil Service and be penalized by earlier retirement. So you almost get back to a new retirement act where they would get a straight two percent, or something--

MR. WARFIELD: Emmett, since General Counsel has advised the Director that he should not make an issue of this thing, why couldn't we leave the policy as it's stated -- that you are expected to retire at age 60 -- and then we don't have to actually say this, but if a man comes in and says - "I don't want to", we don't make him do it, and let it go at that.

MR. ECHOLS: That is certainly an alternative.

[REDACTED] Put him on a year-to-year basis. 25X1A9a

MR. ECHOLS: How could you put him on a year-to-year basis if you're not going to enforce the policy?

DR. [REDACTED] Start (pressing) him. This is the sort of arm-twisting-- 25X1A9a

MR. WARFIELD: Then Paul says we're going to have a lot of people leaving who are dissatisfied and unhappy about this--

MR. [REDACTED] And also, the good guys leave and the bad guys stay. 25X1A9a

DR. [REDACTED] We had to go through one of these reductions here recently, and we used all manner of persuasion to retire them earlier. It can be done. It doesn't have to be done dishonorably, either. I think you're evading your responsibilities a bit if you don't take that approach to the management of your people. 25X1A9a

MR. [REDACTED] I'd like to urge at least some action on some of these cases. One fellow [REDACTED] is occupying a slot that we have already moved another fellow into from the [REDACTED] into that slot -- so this fellow is riding bareback right now. 25X1A6a

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MR. ECHOLS: I wonder if I could suggest that perhaps out of our membership we set up a small working group or task force to bring out the succinct issues here and develop some ideas--

MR. [REDACTED] Well, I assume Larry Houston's statement about not using 102(c) is a fairly recent one? 25X1A9a

MR. ECHOLS: No, it's not fairly recent--

MR. WARNER: It has been reiterated fairly recently. 25X1A9a

MR. [REDACTED] There are a lot of us who have been thinking that the Director would use this available avenue of getting rid of people -- but now that that is closed--

MR. ECHOLS: I think we even implied as much in that Employee Bulletin we put out when we first implemented this system.

MR. [REDACTED] (Continuing): -- now that that avenue is closed, it seems to zero in on what the recent problem is. 25X1A9a

MR. [REDACTED] The Director hasn't been advised to the contrary. We don't know that the Director would take the easy way out here. 25X1A9a

. . . . Mr. Warfield withdrew from the meeting
at this point

MR. ECHOLS: It seems to me the Director would be forced to take the legalistic view, because if he was sued by somebody -- if a guy is pressured out and the guy brings suit, then it seems to me the only way that such a suit could be decided would be the Director was exercising his legal authority.

MR. WARNER: Maybe the guy was pressured, but it's still the guy that retires, so he doesn't have any legal issue, he's got a complaint. 25X1A9a

MR. [REDACTED] Well, I suspect that will be [REDACTED] next step here if he is actually forced to retire at age 60. 25X1A9a

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MR. WARNER: The only way you can force him is to fire him -- the only way you coerce him into retirement.

MR. [REDACTED] And if you fired under 102(c) just one, 25X1A9a
two, or three people, you could say it was within the meaning of the law,
but if you have 25 or 50 of them then it seems to me it's pretty apparent you
have established a new retirement system illegally. That is my legal
opinion, John (laughing).

MR. WARNER: Thank you. (Laughter)

MR. [REDACTED] This does need study. 25X1A9a

MR. WARNER: I think it does, too.

MR. ECHOLS: I'd like to suggest that John (Warner)
be on the study group, and I'd like to suggest [REDACTED] who represents 25X1A9a
an entirely different side of this problem here. I don't know if you
have any interest, Karl--

[REDACTED] Well, I can put my views in through 25X1A9a
Paul.

MR. ECHOLS: Any other volunteers who would like
to hammer on this--

[REDACTED] Where is our pay and promotion 25X1A9a
blockages study? This is relevant, because it's another piece of this
problem. You circulated a paper and just about that time the Israelis
attacked Egypt -- and I had prepared some comments to you, which I found
in the bottom of my basket this morning.

MR. ECHOLS: What happened is that I sent the paper
around for coordination and comments, and then the heat was put on me
from the 7th floor and I sent up a copy which I said was an interim report
because the paper itself was out for coordination and comments from other
people. And as far as I know, everybody concurred in it. But even
though it's a little bit late, if you have any comments, Jim, I'd certainly be
delighted to send them up.

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[REDACTED] I'd like very much to work on this study group, but a week from now I'll be going on leave.

25X1A9a

MR. [REDACTED] One good man's work on this would be much better than four pieces--

MR. ECHOLS: Well, I'm a good man (laughing), and I'm going to work on it.

25X1A9a

MR. [REDACTED] Why don't you. You would come up with a much more sensible initial analysis for this group, and then we will critique your work.

25X1A9a

MR. ECHOLS: Well, I'm going to appoint this committee of three, then, and start on this right away. I think this is pretty crucial.

25X1A9a

MR. [REDACTED] If I can refer to this [REDACTED] case again -- even after a policy has been established the [REDACTED] case is going to give us trouble. One thing is he is surplus in his particular job category. His job

25X1A9a

25X1A3c

[REDACTED] The T/O

at our station out there for that particular category is two, and the number on duty is five, one of whom is [REDACTED] This T/O has been curtailed over the

25X1A9a

years because this particular profession is a dying activity, and there isn't enough such work now to keep [REDACTED] busy in that particular specialty.

25X1A9a

MR. ECHOLS: You have a perfect solution for that case and any others who are surplus -- this is management's prerogative -- it's their responsibility, as a matter of fact--

25X1A9a

MR. [REDACTED] Well, we see daylight now -- some of these people can be absorbed in other job categories -- but one of the apertures through which we saw daylight was [REDACTED] retirement. I presume we do have this alternative of forcing him out because his job has been discontinued.

25X1A9a

MR. [REDACTED] Did you say he was only 55?

25X1A9a

MR. [REDACTED] He was 55 when he got his five year letter a few years ago -- and he protested that. He has almost 40 years of service. What this man wants is that 80% maximum that you can get, of your high-5.

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MR. ECHOLS: He will be 60 in January.

MR. [REDACTED] With almost 40 years of service 25X1A9a

he will get an annuity of

MR. [REDACTED] Did you say at age 60 he would have this? 25X1A9a

MR. [REDACTED] In January, 1968 he will have almost

40 years, and almost 76% -- and I rather suspect that the magic in Mr.

[REDACTED] case is not the 62 but, rather, the 80%. 25X1A9a

MR. [REDACTED] He thinks what we mean by retirement 25X1A9a

without reduction is that he can get the whole 80%.

MR. ECHOLS: I think if I were you, Roger, I would take
the normal administrative action to solve your surplus personnel situation.

MR. [REDACTED] The reason we haven't is that we were 25X1A9a
expecting his retirement at age 60.

MR. [REDACTED] With all this detailed research in his 25X1A9a
letter it sounds like he has a lawyer-- 25X1A9a

MR. [REDACTED] He has seen a lawyer.

MR. [REDACTED] It would help a lot if the General Counsel's
opinion that the National Security Act overrides the Veterans Preference Act
were made known to him even informally. He is going under the assumption
that that is not the case. General Counsel has ruled that it wasn't the case
but that we shouldn't notify the man until there is a showdown of some kind.
I think we avoid the showdown and solve the problem by informing these people
what legal authority the Director does have. 25X1A9a

[REDACTED] It's too bad that in terms of documentation
here -- we've asked him to retire under one thing and then we come back and
say, "Forget about that--

MR. ECHOLS: John, has Larry's office issued a legal
posture on the Veterans' Preference--

MR. WARNER: Oh yes, that has been upheld by the
courts.

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MR. ECHOLS: Can we get hold of a copy of that? I think we should communicate it to [REDACTED] 25X1A9a

MR. [REDACTED] If I remember correctly, we did -- because, remember, we have been writing to [REDACTED] for the last five years, and the last communication was a letter signed either by LKW for Admiral Raborn, or maybe by the Admiral himself. And we don't have that correspondence, but I think we responded then that he should forget the Veterans' Preference Act. 25X1A9a

MR. ECHOLS: Well, I'll get to work on this immediately with Paul and John and try to come up with something that you can critique, that will raise this issue clearly and precisely for the 7th floor. What you will recommend is something else again.

Now, at the last meeting you wanted to know what our friend [REDACTED] was doing. Did we distribute copies of the so-called charter, or objectives, or think piece - whatever you want to call it. 25X1A9a

Well, Ken, what are you doing?

[REDACTED] I'm not doing what that think piece says, because that think piece was written in March and it proposes a lot of task forces, and activities, etc., which as far as I can tell never were started or steps taken on them. However, every major point mentioned in that, with one exception, is vital to the program and is being woven into it as I have started developing it and thinking of it. 25X1A9a

One initial step that I took was that I didn't feel that we should start with an existing table of organization, or any pieces of it. And this is particularly true when realizing that the group that is working with [REDACTED] and the group that is working with [REDACTED] are fully occupied on regular jobs and, obviously, can't give much time to developing new concepts, new programs, and the like. So I had read this and many other papers during the first week or two, and talked with a good 25X1A9a

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many people -- in fact, I guess all but two of you in this room I have had a pretty hefty session with already. So we can make this rather short today.

I do think you should realize that I have some concepts which are rather broad -- and I must say this discussion that just preceded this has been most enlightening to me, because if I start picking up people and talking to them about counseling individuals, what we're going to counsel them about, this is going to really have to fit together hand in glove -- and it will, but it's going to take a lot of doing.

There are two or three points I'd like to mention. I'm conceiving of this as a mutual benefit sort of approach, that we can't forget the individual and we can't forget the Agency. I consider that we are going to work on a long-term scheme, not just an abbreviated plan to tackle individuals as they come along. And fortunately, with Ben's team and 25X1A9a [REDACTED] team continuing to work, this will give us some time and leeway to work out a planned and coordinated program.

It is important, as I've told some of you, that there is a full understanding that I am just "Mr. X" who was selected to work with Emmett to get this program established. The fact that I come out of the Clandestine Services does not mean I am establishing something that is going to lean in the direction of early retirement, or any other special activity that any one of the Directorates thinks is more important than another. We are going to try to come up with all of the important elements pointing toward an effective retirement plan and effective counseling program that will meet the requirements of the various Career Services within the Agency -- this is an Agency program. Now, this becomes doubly important when it is realized there are no bodies, there is no approved T/O, and there are no ceiling slots, as such, into which we can thrust ourselves, bring people in, and start working on a program. In one sense this has been a favorable thing, because it has forced me to start right out and meet and have good hefty sessions with each of the Deputy Directors. I'm also starting to tick off the various Career

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Services, and I'm getting their philosophies, their feeling -- and I'm making copious notes. I'm trying to build this and look toward a unified program.

As far as timing is concerned, for you folks to think about as this program is evolving, one factor is important. Since ceiling slots will not become available until a year from now, the period between now and then is going to have to be worked out with people who are detailed, and I'm hoping, therefore, we will have a good part of this year, up until next June, working on this program, sizing it up, ferreting out the various unique problems that may otherwise be overlooked, in coming up with a fairly solid organization. Then as the program is developed, late in the year -- I would assume, if anyone were to ask me, this might be along about next spring -- we can start to actually develop the T/O which would fit with what it is we wish to do within this program. These papers that you have, in large part reflect aspects of this. There are a number of things that we have come up with as a result of the discussions I have had the last few weeks which go a good deal beyond some of the points raised here. And I would hope, then, that within a year we would have a fairly sound program laid on, and a table of organization set up, and ceiling slots moved into it. And at this particular point, working with Ben and with [REDACTED] and 25X1A9a their people, we should be bringing them along -- which I intend that we will be doing so that they will understand any unusual shifts or changes that might affect them as individuals in the anticipation that they will eventually be brought into this unified program.

I do have some problems other than space and timing. Since my detail was from the 18th of June on a one to two year basis, I'm insisting that it has to be two years at least, because it's too much to try to settle, lay out, and then walk away from on a year's basis. If we can get the program set up and the people in within a year, the following year I think we should be able to use as a testing and experimental period to solidify our position, to smooth out and sharpen up our program, and I think within two years we will have a good program.

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There are three major facets, which I have mentioned to a number of you as I have been thinking it out, that I am attacking. First of all -- and I like John Warner's concept of the carrots -- I can't help but feel that if we do a sound counseling program we are building carrots, we are tending to make people feel that they wish to retire, that they see the sense to it, and the logic to it, and the meaning, and the way and means by which they can accomplish this to their own satisfaction and the satisfaction of their families. Therefore, one big segment of the three segments of this program as I see it now is the conditioning, the indoctrination, the letting the people come to know the fact that retirement is something they should look forward to, and that the main factor was one of timing -- which is what has been talked about here for the last hour and a quarter -- which is a very real problem for them, that I'm hoping we will be able to adjust as these policies are straightened out, in the program.

We realize also -- you were talking earlier about 531 people who have received letters, and earlier I had understood from 25X1A9a
[REDACTED] that there were 722 -- but anyway, there are a large number of people who have received letters. We're talking here in terms of numbers and figures but we don't know what we're talking about in terms of who it is we are pointing toward when we're talking about a retirement counseling program. So we will - very early, on a priority basis - come up with the development of some questionnaires as to what types of consultation should be given early? how can we make a single program of this type work right back into and mesh neatly with the many Career Services that we have? - and it has got to mesh and work together. You never stop counseling your people until they retire, yet we are going to have to start working with them maybe five years before they retire -- maybe even before that. I feel, for instance, it's never too early to start advising people about investment planning, estate planning, consulting on insurance programs -- say "You've got to think on your own feet, boy -- this is your life you're living" -- and

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we have to hit them fairly early and keep them consistently on it, and not have them come up in their last year and say, "Gee whiz! I didn't realize I was going to have to do any of this planning for retirement." We have to start them thinking early about this game. We do have to divide them into categories and understand what their problems are, and we will be coming up with a questionnaire which we will work out with the Career Services.

One important thing I believe we're going to be working on is some sort of a leaflet as a means of reaching these people on a communications basis and letting them know about the benefits they can expect upon retirement, and so on -- maybe quarterly, or every six months -- I don't know -- but we will work in that direction.

One of the points in this memo that Eck has passed around to you is this question of a library from the outset -- this is very obvious -- and we do have collections that the officers are using in the different offices, but I believe that we have to set up at least two reading rooms as soon as we can. Fortunately, the DD/I did give us the services of a librarian who is retiring in November. She has been doing a fine job. And Eck had one person doing work on a bibliography, and that has been pulled into it now and we're starting to assemble the material. This isn't casual reading that I've been talking about -- this is going to be what they will be relying on for giving good, solid counseling to people. We need to augment this -- we need to have more professional material for the professional counselors. We need, I think, to short circuit a lot of the smaller questions and the technical questions by having some very sound financial and legal booklets, and Government hand-outs, and that sort of thing, available for the individual to stop in and read. And we need to have material that will indicate how, when, and why a person can move into a second profession or take advantage of his avocations in using his leisure time. And here we are also expecting to assemble even such things as the leaflets that come from Bermuda, New Orleans, Southern California, and all the rest, as to

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where to retire, how much it is going to cost, and how easy it is for you to do it. But there's quite a broad ramification which I think we can reflect in these reading programs which I think will help in getting people into the frame of mind that retirement time is logical -- and which I hope will cut short the various individual cases that you have been talking about here.

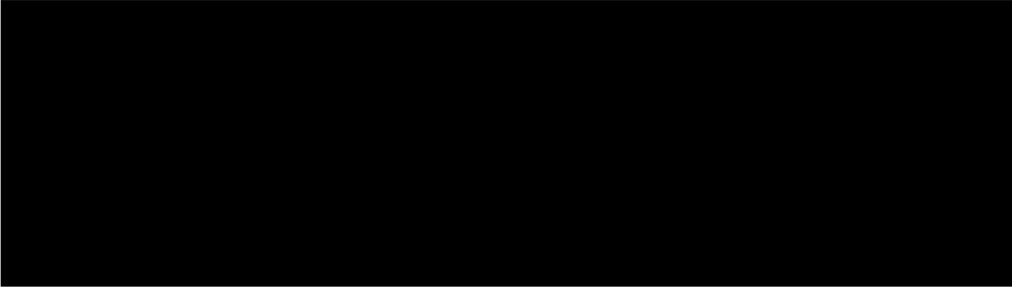
The second major segment of the program revolves around what I call the direct preparation for retirement -- realizing the fact, once we have identified and sort of categorized people, we must set up seminars of different types for people with different problems. Obviously, we can't treat all retirees just as retirees, period, and call them over to the igloo periodically for lectures. We're going to have to help them with their resumes -- help them prepare better ones or add to them. If they would like to go through an A&E arrangement, help those who need it and want it, to find out what their skills are -- because regardless of what they majored in in college, they may have other talents that can be picked up.

And this leads us right into the whole question of training. And I have discussed this with John Warner, and also with Larry, and it may involve some new twists and some new interpretations, but I think we're going to have to do a good deal in helping these people who really need re-shoeing and who need an income after they retire to augment, if they haven't been with us too long, the small percentage they might get in their retirement annuity.

The third major segment of this is what I call marketing. The outplacement work which is being done right now under 25X1A9a [REDACTED] two officers and one secretary, is a job which certainly helps some individuals, but others find it falls short. I believe that we have to put the shoe on the other foot and instead of planning to sell our people one by one as CIA men - "This is the best man for you - why don't you buy him? He's a great guy." I think we have to do a more thorough job of analyzing what the market is in the United States. We have tremendous assets in

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25X1A8a



normal pattern for reporting back here, and I think we have to set up some procedure for getting this information reported back to us. And we will hear about these things, I assume, maybe six months or a year in advance, or maybe even as much as two years in advance, that a certain company is going to set up a new plant somewhere. And as we get this information if we can funnel it back into Washington and put the retirees that want another job onto the track, we can start them doing this job for themselves. I think that one thing we're going to have to knock in the head is the concept which, frankly, has hit me innumerable times since I've stepped over to do this job - "Well, are you ready to find me a job? I want to go to Chicago -- what do you have for me there?" -- the whole concept that this Agency is an employment service for the individual. I don't mean to say that we aren't going to give them a tremendous amount of assistance, but, at the same time, we have to let them know they have grown up now and have to stand on their own two feet. We can help them - give them a tremendous amount of help, but they still, on behalf of themselves and their own families, they have a lot of responsibility they have to fulfill.

Well, these are the three major concepts on which we will be working. We do not have any space yet except one office with one desk in it. We're getting our people assigned an office and the Logistics people are working as hard as they can on it but it will probably be three or four months before the space in Magazine Building which has been allocated to help us pull this program together will be available. In the meantime I'm hoping to find desks down in the (Technical Office), where there are a couple of empty desks. I may even be able to use my own office for

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awhile - the old Historical Staff office that I've been working in, and put one or two people down there. The person working on the reading rooms for us can stay in the library where she is at the present time. So for the next few months we will be scattered out, and it will be a little awkward. But I have had a fine response from the Career Services and the Deputy Directors, and we do have about ten people presently named, of whom three are ready to go to work right now, and a number more within a couple of weeks. So we will be starting to give the attention to this program that it needs.

MR. ECHOLS: Are there any questions anybody wants to ask Ken?

MR. [REDACTED] Are these 10 people, people who responded 25X1A9a
to your vacancy notice?

DR. [REDACTED] The DD/I did this for one, particular 25X1A9a
purpose -- and I haven't gone into that detail, but I would be glad to explain it.

MR. ECHOLS: It's a funny kind of vacancy notice,
because I don't have any money or ceiling slots--

DR. [REDACTED] There is one man already pinpointed 25X1A9a
who will be working with us - [REDACTED] The reason the notice is going 25X1A9a
around, Paul can explain--

MR. [REDACTED] The idea here, we thought in addition to 25X1A9a
picking up help we would find out what individuals have an interest in this
subject, and as we go along this ought to be very handy in itself.

DR. [REDACTED] We would hope we would get one or 25X1A9a
two people who could work full-time with this at least this next year -
possibly longer, and maybe some people will turn up that have some special
interest that would fit and we could pick them up part-time.

MR. [REDACTED] Then that is all you have? 25X1A9a

DR. [REDACTED] I don't have one person, but two or
three allocated.

MR. [REDACTED] I'm going back to old business -- I just

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was not completely clear on the five-year notice business. In other words, how did we really leave that? The people who have now gotten these letters and who are saying, "I don't expect to retire at 61" -- should we tell them, as their Career Service, just to stand fast for awhile?

MR. ECHOLS: In effect I have already done so by writing to these individuals. You haven't released those letters yet?

MR. [REDACTED] No, but I'm going to.

25X1A9a

MR. ECHOLS: Well, as you know, several of you wanted to have published an Agency announcement on the change in policy -- and I have it right here in my hand, and it's about to be issued--

[REDACTED] I don't think we should put anything more out until we know where we're going.

25X1A9a

MR. ECHOLS: -- and I made a fast phone call and was told to hold everything, and told this was going to create a lot more furror. If you agree with me, I think it should be held until we shake things down a little bit.

25X1A9a

MR. [REDACTED] We will say nothing authoritatively to anybody about the five year possibilities?

MR. ECHOLS: I think we better not.

MR. WARNER: I move we adjourn.

. . . The meeting adjourned at 3:40 p.m. . . .

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